

MEMORANDUM

To: Reporters and Editors

From: Scott Mulhauser and Erin Shields for Senate Finance Committee Chairman Max Baucus (D-Mont.)

Re: New Medicare benefits in the Affordable Care Act announced today

Senate Finance Committee Chairman Max Baucus (D-Mont.) commented today on the new benefits of the nation's health care law being implemented by the Department of Health and Human Services (HHS). Baucus' comments come following an HHS announcement today prescribing how Medicare will begin allowing health care providers to operate in teams. These teams will allow health care providers to come together and share in each other's knowledge, providing better patient care as a team than would be able to provide independently. The Affordable Care Act created these new health care teams, called Accountable Care Organizations (ACOs), to produce better health care outcomes for seniors, reduce waste and save Medicare dollars. Baucus was a key architect of the Affordable Care Act in the Senate. From Chairman Baucus:

"When Medicare gives doctors, nurses and hospitals the opportunity to come together to form a team, it also gives them the opportunity to share in each other's knowledge about medicine and about their individual patient. Cooperation among the medical professionals on these teams reduces duplicative scans and tests, prevents unnecessary hospital stays and keeps all of a patient's caregivers more informed. These new health care teams will produce better health care outcomes for patients and reduce waste, saving Medicare dollars. Health care teams will be able to share in the savings they generate by improving coordination and efficiency, which creates an incentive to provide the best patient care possible. These new teams are a critical part of the health care law's effort to drive down costs in our health care system and deliver top-notch patient care."

The proposed new rules released by HHS today will help doctors, hospitals and other health care providers better coordinate care for Medicare patients through ACOs. ACOs create incentives for health care providers to work together to treat an individual patient across care settings – including doctor's offices, hospitals, and long-term care facilities. The Medicare Shared Savings Program will reward ACOs that lower health care costs while meeting performance standards on quality of care and putting patients first. To share in savings, ACOs would meet quality standards in five key areas: patient and caregiver care experiences, care coordination, patient safety, preventive health, and at-risk population and frail elderly health. If ACOs save money by getting beneficiaries the right care at the right time, for example, by improving access to primary care so that patients can avoid a trip to the emergency room, the ACO can share in those savings with Medicare. The proposed rules also include strong protections to ensure patients do not have their care choices limited by an ACO. And patient and provider participation in an ACO is purely voluntary.

For more information visit:

<http://www.healthcare.gov/news/factsheets/accountablecare03312011a.html>.

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